

Call to Order

Chair Moffitt called the meeting to order at 7:02p.m. Through video conferencing mode, present were Chairperson Eugenie Moffitt, Paul Russo, Andrew Betts, Spiro Christopoulos, Linn Anderson, Mary Ellen Logee, John Barry, Paul Monticciolo and Bojay Taylor. Also present were the Town Manager, Donna Walsh, Finance Director and Patrick Lawlor, Assistant Town Manager. The meeting was videotaped and live cablecast.

Article 19 – School Revolving Fund – Dr. Berman and Mr. Blumstein

Dr. Berman stated that the intent of the revolving fund was to offset expenses against revenue collected in connection with professional development seminars offered by the school department for in-district and out-of-district participants. A revolving fund is needed for the fees collected from participants of other towns. Mr. Szymanski will suggest to the School Committee at its meeting on May 14th that a limit of \$50K be set for this fund. The FinCom decided to defer voting on Article 19 until a vote had been taken by the School Committee as to the dollar amount of the fund. Dr. Berman anticipated that authority to spend would be granted to him.

FY20 School Budget in light of COVID-19 – Dr. Berman and Mr. Blumstein

Dr. Berman noted that a freeze on spending had been initiated prior to COVID-19, but that the district has already incurred costs as a result of COVID-19. At the present time, teletherapy has been offered to approximately 50 SPED students at a cost of \$2,500/month. Licenses for the privacy protected online software was the prime reason for the increased cost.. Federal CARES Act reimbursement is anticipated for related costs of the outreach.

Although some operational savings were realized in the closing of schools with respect to lower utility costs, costs will be incurred in opening the schools for the purpose of 6K+ students having access to emptying their lockers. Also, summer cleaning of buildings can be started earlier this year resulting in savings that would be incurred for over-time, etc. Sanitizing equipment has been purchased for the purpose.

Further savings of \$100K should be realized by not hiring short-term substitutes, and all professional development will be deferred. Extraordinary relief from the DOE for two out-of-district students applied for before COVID-19 has been approved, but the amount we will receive is unknown because of recent district high demand for relief. Meals for students has continued and because of current financial hardship, meals have been provided to families not previously qualifying for aid. Some federal reimbursement is expected.

At the advice of the representation of multi-districts' counsel and DESE, negotiations with the bus vendor yielded a 22% discount for services from March 16 to end of year at a total savings of \$300K. This negotiation ensured that the employees of the company would continue to be paid and that we will have buses available when school reopens. There are a shortage of bus drivers and continuing to pay the contract will help to prevent the loss of the 35-40 drivers that had served Andover for many years and ensure their availability when school reopened. Discussion ensued and it was the consensus of the FinCom that the school should follow up with the bus vendor to ensure further federal credits in excess are passed to the benefit of the school and ultimately the taxpayer.

Negotiations for summer transportation of 400+ SPED students is conditionally underway.

Mr. Berman noted that a memorandum of agreement was signed by the School Committee at its April 16th meeting and disseminated to the AEA (copy attached) including closure plans, payment of employees and stipends. All fees for spring sports were reimbursed to families, however, parking fees were not reimbursed.

FY21 School Budget in light of COVID-19 – Dr. Berman, Mr. Blumstein and Mr. Szymanski

Mr. Blumstein stated that the School Committee is meeting on May 14 to discuss the budget in light of the “unknowns” of decreased revenue, state aid (expected decrease of between 10% and 20%) and federal relief. Continued discussion with the Town Manager will focus on the impact of this reality on the operating and capital budgets.

Mr. Berman allowed that savings from FY20 would be offset in circuit breaker funds in FY21. All staff collective bargaining agreements except one are due to expire in August, 2020, and renegotiations in light of the present situation will favor the unique forum for significant relevant discussion.

Mr. Szymanski stated that a task force, including Mr. Carbone of the Health Department, is being formed to address the safe strategic reopening of schools, possible reconfiguration of classrooms, etc. Guidance is also sought from DESE on this process and the additional costs that may be incurred.

The Town Manager stated that he is planning for the worst case scenario with a revenue shortfall greater than the recession of 2008. These realities will have a significant effect on both town and school budgets.

Annual Town Meeting – June 22

The Town Manager stated that the warrant will be signed on May 18th. A global revote of all articles amended due to the current crisis as one will be taken for the new report. Discussion of locale of town meeting continues and contingent on Governor Baker’s advisory expected on May 18th. If the Collins Center is used, social distancing protocols would result in a reduction in headcount allowed from 1,100 to only 300. While virtual town meeting is allowed for representative town meeting, it is not allowed for open town meeting. No electronic voting is allowed.

Finance Committee Report and Letter

Ms. Anderson stated the report and letter are in draft awaiting firm numbers. She stated that long-term economic consequences warrant a cautious financial plan and making decisions while we are waiting to see how the economic downturn plays out is very challenging. The fiscal plan for FY21 will have significant impacts on the town’s traditional five-year plan and we may want to prepare best case/worst case scenarios. The Town Manager allowed that he is planning for different scenarios and is working on the actual numbers with an eye toward FY22 as well. He is realistically preparing for a 20% reduction in state aid. He stated that a Fall Town Meeting will be needed in addition to the June Town Meeting to address updated changes in the budget before the tax rate is set.

The Town Manager advised moving forward with the article to approve home rule petition for pension obligation bonds. He said, however, that it is quite possible that the legislature will push out the current 2040 deadline for fully funded pension obligation.

Mr. Monticciolo suggested including website updates on the report after printing prior to town meeting.

Next Meeting

Wednesday, May 20, 2020 – Mr. Russo to schedule School Department

Adjournment

Upon motion duly made by Ms. Anderson and seconded by Mr. Barry, it was unanimously voted to adjourn. Chair Eugenie (Janie) Moffitt-Y, Linn Anderson-Y, Paul Russo-Y, Andrew Betts-Y, Mary Ellen Logee-Y, John Barry-Y, Bojay Taylor-Y, Spiro Christopulos-Y and Paul Monticciolo-Y. Motion passed 9-0. The meeting adjourned at 8:15PM.

Respectfully submitted,

Christine Martin Barraford
Recording Secretary

Attachments:

School Department Memorandum of Agreement AEA